

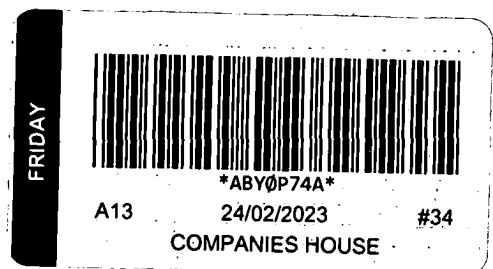
Company Registration No. 01023248 (England and Wales)

BLAGG & JOHNSON LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

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BLAGG & JOHNSON LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--|
| Directors | Mr C W Gray Miss M E Reid Mrs M Baldwin Mr S J Prior |
| Secretary | Mrs M Baldwin |
| Company number | 01023248 |
| Registered office | Newark Business Park Brunel Drive Newark Nottinghamshire NG24 2EG |
| Auditor | Stopford Associates Limited Synergy House 7 Acorn Business Park Commercial Gate Mansfield Nottinghamshire NG18 1EX |
| Business address | Newark Business Park Brunel Drive Newark Nottinghamshire NG24 2EG |

BLAGG & JOHNSON LIMITED

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BLAGG & JOHNSON LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2022

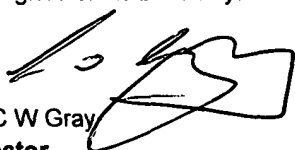
| | Notes | 2022 £ | £ | 2021 £ | £ |
|--|-------|--------------------|-------------------------|--------------------|-----------------------|
| Fixed assets | | | | | |
| Tangible assets | 4 | | 858,818 | | 985,908 |
| Current assets | | | | | |
| Stocks | | 142,912 | | 175,933 | |
| Debtors falling due after more than one year | 5 | 27,644 | | 27,644 | |
| Debtors falling due within one year | 5 | 1,501,802 | | 1,211,099 | |
| Cash at bank and in hand | | 120,497 | | 186,154 | |
| | | <u>1,792,855</u> | | <u>1,600,830</u> | |
| Creditors: amounts falling due within one year | 6 | <u>(1,659,173)</u> | | <u>(1,733,844)</u> | |
| Net current assets/(liabilities) | | | <u>133,682</u> | | <u>(133,014)</u> |
| Total assets less current liabilities | | | <u>992,500</u> | | <u>852,894</u> |
| Creditors: amounts falling due after more than one year | 7 | | <u>(400,099)</u> | | <u>(558,733)</u> |
| Net assets excluding pension surplus | | | <u>592,401</u> | | <u>294,161</u> |
| Defined benefit pension surplus | | | <u>436,000</u> | | <u>549,000</u> |
| Net assets | | | <u><u>1,028,401</u></u> | | <u><u>843,161</u></u> |
| Capital and reserves | | | | | |
| Called up share capital | | | 994,000 | | 994,000 |
| Share premium account | | | 177,004 | | 177,004 |
| Profit and loss reserves | 9 | | (142,603) | | (327,843) |
| Total equity | | | <u><u>1,028,401</u></u> | | <u><u>843,161</u></u> |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 22 February 2023 and are signed on its behalf by:

Mr C W Gray
Director



Mrs M Baldwin
Director



Company Registration No. 01023248

BLAGG & JOHNSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies

Company information

Blagg & Johnson Limited is a private company limited by shares incorporated in England and Wales. The registered office is Newark Business Park, Brunel Drive, Newark, Nottinghamshire, NG24 2EG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention modified to include the revaluation of plant and equipment. The principal accounting policies adopted are set out below.

1.2 Going concern

The accounts have been prepared on the going concern basis the validity of which is dependent on the continuing support of the creditors. After a couple of successful years, continued investment in new plant and machinery, and the continuation of business and contracts from both existing and new customers, the Director's remain confident that the company will trade profitably in the forthcoming year.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts.

Turnover from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on dispatch of goods.

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed. Revenue not billed to clients is included in debtors and payments on account in excess of the relevant amount of revenue are included in creditors.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|--------------------------------|-----------------------------|
| Plant and machinery | 3 to 10 years straight line |
| Fixtures, fittings & equipment | 3 to 5 years straight line |
| Motor vehicles | 3 years straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

BLAGG & JOHNSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.8 Financial instruments

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

The company also operates a defined benefit scheme which is closed and currently in deficit, provision has been made in accordance with FRS102.

BLAGG & JOHNSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies

(Continued)

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

BLAGG & JOHNSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Depreciation

The directors review depreciation rates and useful lives of the tangible fixed assets disclosed in note 1 on an annual basis to ensure the effects of usage, wear and tear or technical obsolescence are reflected in the carrying value of the asset.

Impairment

The directors review fixed assets for indications of impairment in conjunction with review of depreciation above. The company has policies in place to review assets on an ongoing basis.

Revenue recognition

Work in progress is based on contract activity and information produced by the company's costing system, which the directors use to make informed decisions on provisions.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

| | 2022 | 2021 |
|-------|---------------|---------------|
| | Number | Number |
| Total | 31 | 32 |

BLAGG & JOHNSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

4 Tangible fixed assets

| | Plant and machinery etc £ |
|------------------------------------|------------------------------------|
| Cost | |
| At 1 October 2021 | 2,597,629 |
| Additions | 26,076 |
| Disposals | (5,304) |
| At 30 September 2022 | <u>2,618,401</u> |
| Depreciation and impairment | |
| At 1 October 2021 | 1,611,721 |
| Depreciation charged in the year | 153,145 |
| Eliminated in respect of disposals | (5,283) |
| At 30 September 2022 | <u>1,759,583</u> |
| Carrying amount | |
| At 30 September 2022 | <u><u>858,818</u></u> |
| At 30 September 2021 | <u><u>985,908</u></u> |

5 Debtors

| | 2022 £ | 2021 £ |
|--|-------------------------|-------------------------|
| Amounts falling due within one year: | | |
| Trade debtors | 1,080,027 | 828,618 |
| Gross amounts owed by contract customers | 270,295 | 283,584 |
| Corporation tax recoverable | 5,750 | 5,750 |
| Other debtors | 20,000 | 20,000 |
| Prepayments and accrued income | 125,730 | 73,147 |
| | <u>1,501,802</u> | <u>1,211,099</u> |
| Amounts falling due after more than one year: | | |
| Other debtors | <u>27,644</u> | <u>27,644</u> |
| Total debtors | <u><u>1,529,446</u></u> | <u><u>1,238,743</u></u> |

BLAGG & JOHNSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

6 Creditors: amounts falling due within one year

| | 2022 | 2021 |
|------------------------------------|------------------|------------------|
| | £ | £ |
| Bank loans and overdrafts | 9,788 | 9,547 |
| Obligations under finance leases | 141,188 | 165,506 |
| Trade creditors | 1,094,741 | 974,273 |
| Other taxation and social security | 160,994 | 96,098 |
| Government grants | 7,718 | 7,718 |
| Other creditors | 140,377 | 448,199 |
| Accruals and deferred income | 104,367 | 32,503 |
| | <u>1,659,173</u> | <u>1,733,844</u> |

Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned.

Included in other creditors is £121,246 (2021 £435,670) in respect of Invoice financing which is secured against trade debtors.

7 Creditors: amounts falling due after more than one year

| | 2022 | 2021 |
|----------------------------------|----------------|----------------|
| | £ | £ |
| Bank loans and overdrafts | 29,081 | 38,869 |
| Obligations under finance leases | 355,810 | 496,938 |
| Government grants | 15,208 | 22,926 |
| | <u>400,099</u> | <u>558,733</u> |

Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned.

8 Defined benefit pension scheme

The company also operates a defined benefit scheme which was closed on 31 October 2006. The scheme is in deficit, the valuation provided in the accounts under FRS102 at 30 September 2022 was £436,000 (2021: £549,000 surplus). Adoption of the FRS102 valuation method has resulted in the recognition of a deficit of £113,000 (2021: surplus £374,000) representing an increase in the liability provided under the assumptions contained in FRS102. The valuation was prepared by Broadstone Pensions, Consulting Actuaries. The latest tri-ennial valuation was prepared on 5 April 2020 by Broadstone Pensions (formerly, Quattro Pensions Consulting Limited), and showed a Statutory Funding Objective deficit of £829,000 (2017: £324,000).

The company makes contributions under an agreement reached with the trustees 2022 £21,600, (2021: £NIL).

The fair value of the scheme assets at 30 September 2022 was £2,851,000 (2021: £4,304,000), and present value of scheme liabilities £2,415,000 (2021: £3,755,000), resulting in the surplus of £436,000 (2021: £549,000 surplus).

BLAGG & JOHNSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

9 Profit and loss reserves

| | 2022 £ | 2021 £ |
|--|------------------|------------------|
| At the beginning of the year | (327,843) | (745,728) |
| Profit for the year | 298,240 | 43,885 |
| Actuarial differences recognised in other comprehensive income | (113,000) | 374,000 |
| At the end of the year | <u>(142,603)</u> | <u>(327,843)</u> |

10 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Senior Statutory Auditor:
Statutory Auditor:

Mr Phillip Nicholson
Stopford Associates Limited

11 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

| | 2022 £ | 2021 £ |
|--|------------------|------------------|
| | <u>1,045,733</u> | <u>1,074,667</u> |

BLAGG & JOHNSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

12 Related party transactions

Transactions with related parties

Included in other debtors is £10,000 due from a shareholder.

13 Directors' transactions

Advances or credits have been granted by the company to its directors as follows:

| Description | % Rate | Opening balance £ | Closing balance £ |
|-------------|-----------|-------------------------|-------------------------|
| Advanced | - | 10,000 | 10,000 |
| | | <u>10,000</u> | <u>10,000</u> |